NORMANDY NFM Limited

ANNUAL REPORT

FOURTH ANNUAL REPORT FOR EL 7150 (TALBOT SOUTH)

for the period
6th November 2000 to **5 November 2001**

NORTHERN TERRITORY

Volume **1** of **1**

1:250,000 SHEET:	Tanami	SE52-15
1:100,000 SHEET:	Tanami	4858
	Buck	4959

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TENEMENT HOLDERS: Normandy NFM Ltd

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- ❑ Normandy Mining Limited

SUMMARY

This report describes the exploration activity and results obtained from EL7150 during the 4th year of tenure to 5th November 2001.

Exploration activity comprised:

- Gridding: 73.97 line km
- Ground Geophysics: 92 km
- Lag Sampling: 173
- Rock Chip Sampling: 27
- Soil Sampling: 37
- BCL Sampling: 106
- RAB Drilling: 166 holes /4267m /1473 samples
- Aircore Drilling: 38 holes /1959.5m /710 samples
- RC Drilling: 23 holes /2041 m / 2079 samples

During 2001, a return to regional exploration saw the use of RAB and Aircore drilling as well as lag and orientation soil sampling. More detailed work involved fenced RC drilling at the Ripcord Prospect and targeted RC drilling near the Groundrush Prospect.

Further work was undertaken within the Groundrush Mining Lease (22934) by the Mine Exploration team during the same period. This work was conducted and funded separately and will therefore be reported separately.

It is expected that work for the next field season will involve regional surface sampling and RAB drilling of new and existing Prospect Areas.

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1. INTRODUCTION

EL7150 (Talbot South) is located approximately 100km northwest of The Granites Gold Mine and 45km northeast of the Tanami Mine (Figure 1).

Reconnaissance surface sampling delineated geochemically anomalous areas early in 1998. Follow up sampling and subsequent RAB drilling significantly advanced the Groundrush prospect where diamond drilling was undertaken late in the 1998 season. Reconnaissance exploration continued throughout the licence in 1999, further diamond and RC drilling at Groundrush defined a significant zone of gold mineralisation.

Evaluation of the Groundrush orebody continued during 2000. This involved the completion of 50x30m RC drilling to 100Vm along the entire 1200m strike length of the prospect, close-spaced shallow RC drilling was undertaken in the centre of the resource to give greater data density for variography studies. Deeper diamond drilling to 150Vm under the centre of the resource and a single deep scout hole to 250Vm indicated a depth extent to the mineralisation. Selected diamond drilling was carried out to collect metallurgical samples and to test the geotechnical aspects of the proposed pit.

Regionally, emphasis was given to extending the RAB and vacuum coverage along strike to the south east of Groundrush. Lesser RAB, vacuum and Lag sampling was undertaken to the north, east and west of Groundrush. This reconnaissance work included trialing a range of experimental techniques over the Groundrush mineralisation. RAB drilling of geophysical and geochemical anomalies (at the Ripcord, Skysurf and Freefall Prospects), detailed airborne magnetic and TDEM surveys were also undertaken.

During 2001, work on the Ripcord Prospect involved RC drilling on 100m sections with encouraging results. A return to regional exploration saw the use of RAB and Aircore drilling as well as lag and orientation soil sampling.

2. TENEMENT DETAILS

The licence area was targeted by Zapopan NL primarily because of it's proximity to the Tanami Mine and the fact that the ground had no history of modern exploration. Zapopan applied for the licence on 1st August 1990. Zapopan underwent a name change in 1996 to Pegasus Gold Australia Pty Ltd. NFM purchased EL7150 in June 1996 as part of a package of Tanami exploration licences from Pegasus. NFM became known as Normandy NFM in October 1997. The licence was granted in November 1997 and access was negotiated for the start of the 1998 field season. This document is the fourth report of exploration activity on EL7150.

The exploration licence was granted on 6th November 1997 and clearance was approved by the Central Land Council on 21st November 1997. The first statutory relinquishment (50% after 2 years) was waived in November 1999 and again in November 2000 and 2001.

EL7150 is situated entirely within Aboriginal Freehold land held by the Central Desert Aboriginal Land Trust.

Table 1: Tenement Summary, EL7150, Year 2001.

Area Name	Blocks	Km^2	Grant Date	Expiry Date	Covenant ($)
Talbot South	111	355	6/11/97	5/11/03	300,000

3. LOCATION, ACCESS AND PHYSIOGRAPHY

The Talbot South exploration licence is located approximately 100km north northwest of The Granites Gold Mine and 45km northeast of the Tanami Mine. The licence lies within the south eastern portion of the 1:250,000 Tanami map sheet (SE52-15), as shown on Figure 1.

The licence is accessed by the Tanami Mine to Groundrush Haulage road, which was established during October 2001. A second track established by the company early in 1998, leads north from the Challenger prospect grid which is located in the northern part of EL2370 (Figures 1 and 2). The track was upgraded in the second half of 1999 to allow improved wet weather access to the licence and to withstand the increased traffic due to more intensive exploration activities.

The land surface is typically flat and manifested by a depositional regime of aeolian sands overlying recent sediments or subcropping geology. Low lying laterite ridges up to 10m in elevation are present in the central and northwestern portion of the tenement and a low chert rise is present in the far south of the licence at the Base Jump grid. Vegetation cover is sparse, except at the southern end of the Base Jump prospect grid.

4. PREVIOUS EXPLORATION

4.1 Previous Exploration by Other Companies

It appears that no in-ground exploration has been carried out on the land now comprising EL7150. A search of Open File Company reports was unsuccessful in identifying companies which held tenure of the ground.

Anaconda Australia applied for a portion of the ground in 1968, in search of gold and base metal mineralisation, however no field work was undertaken.

From 1989 to 1994 Zapopan held tenure of EL5412, a licence in close proximity to EL7150. Six gold anomalous prospects were identified within EL5412, the most significant being mineralisation from quartz veins hosted by the Tanami Complex.

4.2 Previous Exploration by Normandy NFM Limited

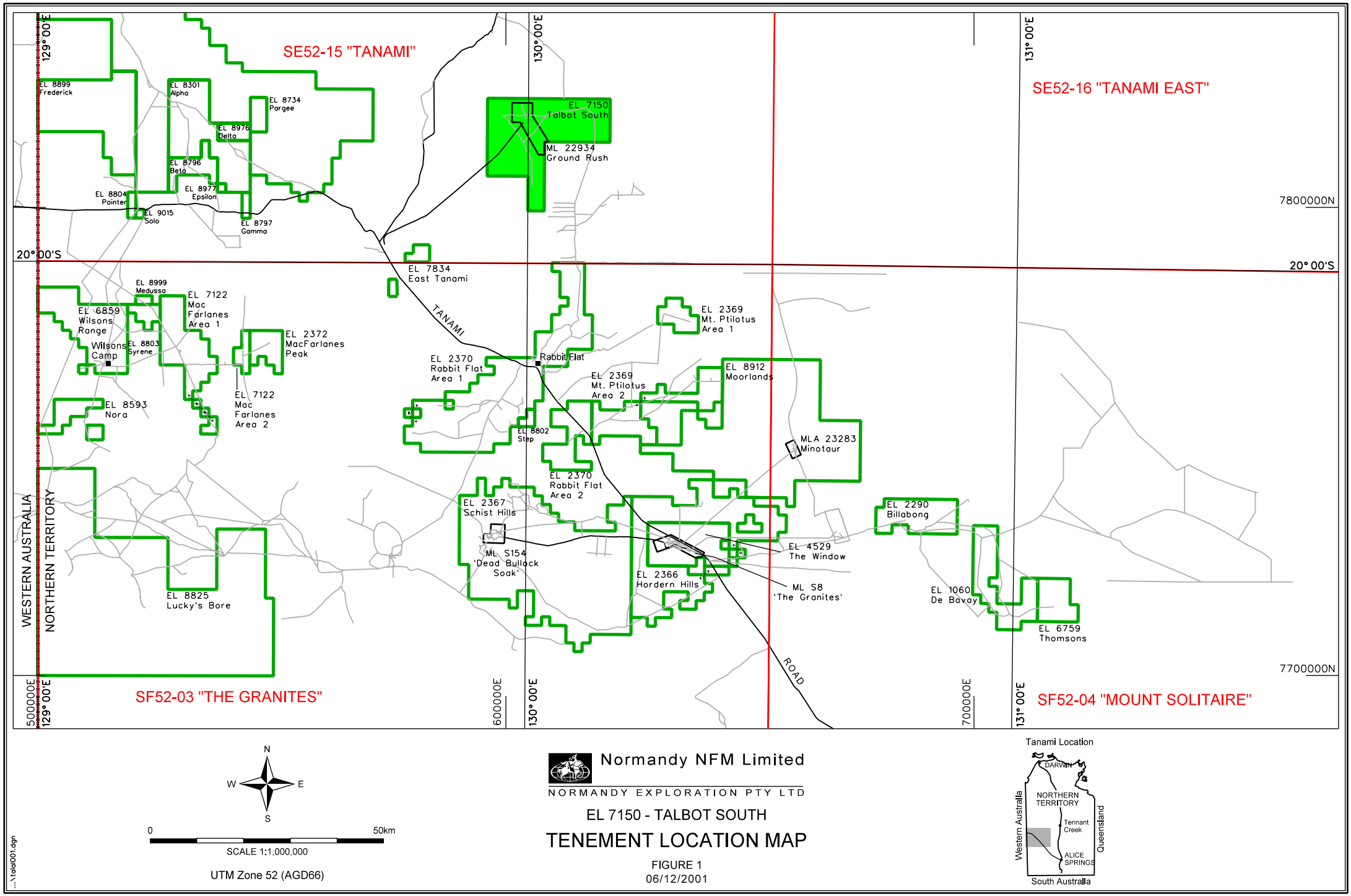
Normandy NFM gained access to the licence in November 1997.

Work undertaken in the first year of tenure involved the acquisition of aerial photographs and the production of a regolith map of the licence. Initial fieldwork included the establishment of access tracks, gridding over the principal targets (Groundrush, Freefall, Basejump and Skysurf), the completion of a water bore and setting up a temporary field camp. Preliminary exploration incorporated reconnaissance Lag and rock chip sampling. Follow up work on the conceptual target at Freefall included detailed ground magnetics and scout drilling of RAB holes to investigate the nature of the regolith. At Groundrush the more detailed work included soil sampling, close spaced RAB drilling and two diamond holes.

During the second year of tenure, work consisted of detailed evaluation of the Groundrush mineralisation and further reconnaissance exploration of the other prospect areas. At Groundrush, Vacuum, RAB, Diamond and RC drilling were conducted, in conjunction with further gridding, lag sampling, mapping, petrology and geophysical surveys. The result was the announcement in November 1999 of an inferred resource of ***3.2 Mt @ 4.5 g/t Au***.

At the other prospects (Freefall, Skysurf and Basejump), work included gridding and access tracks, geophysical surveys, lag and soil sampling and Vacuum and RAB drilling. South of Groundrush, RAB drilling identified an additional mineralised prospect, named Ripcord. This prospect lies within the Groundrush gridded area. Figure 2 shows the locations of the named prospects.

During 2001, regolith drilling was carried out within emerging areas. RC drilling was completed at the Ripcord Prospect on 100m sections. In September of the same year, the Groundrush Mineral Lease 22934 was granted, with mining operations commencing shortly thereafter.



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UTM Zone 52 (AGD66)

Normandy NFM Limited

NORMANDY EXPLORATION PTY LTD

EL 7150 - TALBOT SOUTH

TENEMENT LOCATION MAP

FIGURE 1
06/12/2001

Tanami Location

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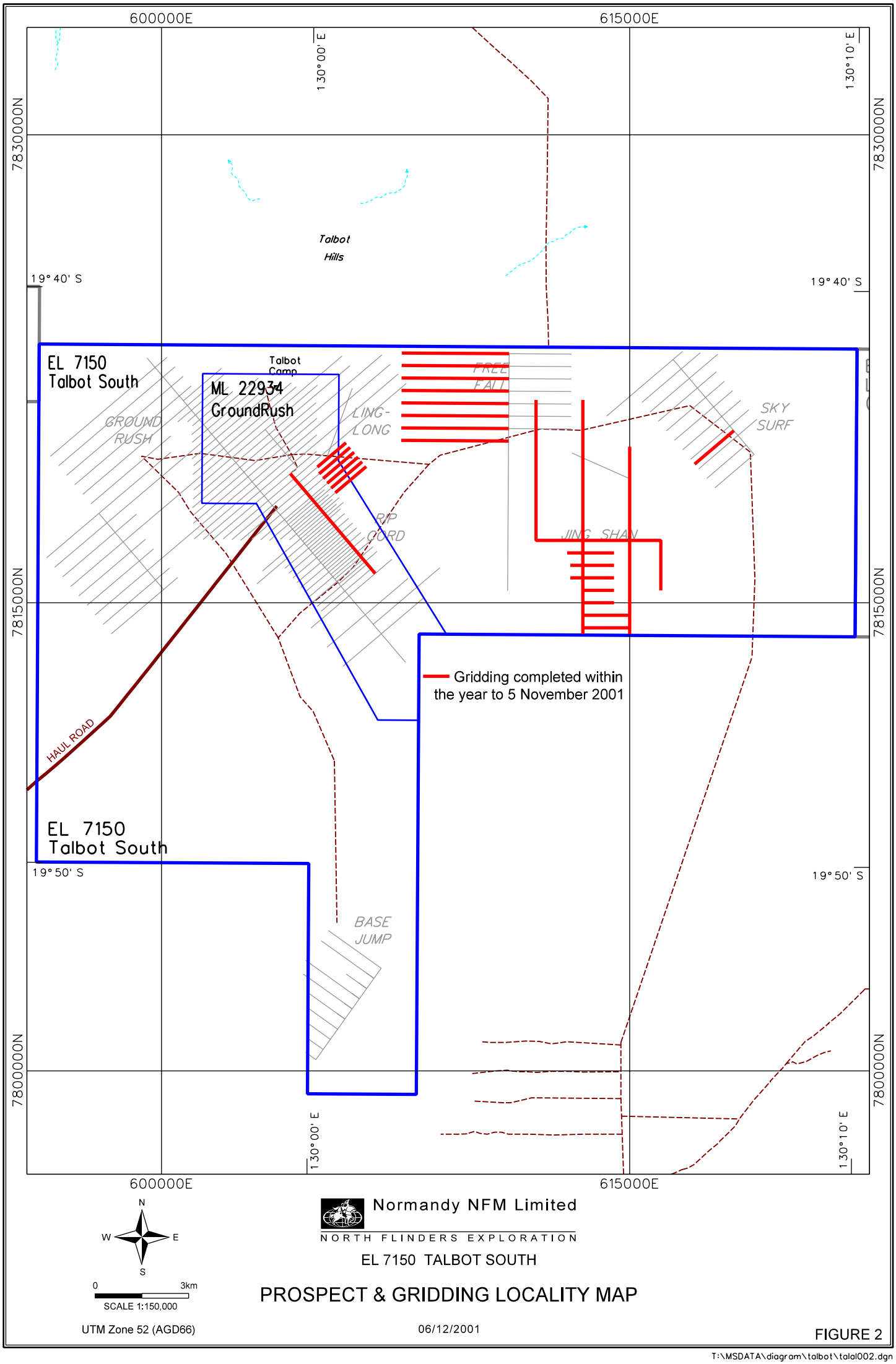
600000E
615000E
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EL 7150
Talbot South
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ML 22934
GroundRush
GROUND
RUSH
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JING SHAN
Gridding completed within
the year to 5 November 2001
HAUL ROAD
EL 7150
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Normandy NFM Limited
NORTH FLINDERS EXPLORATION
EL 7150 TALBOT SOUTH
PROSPECT & GRIDDING LOCALITY MAP
UTM Zone 52 (AGD66)
06/12/2001
FIGURE 2
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5. EXPLORATION OBJECTIVES

Exploration and mine studies have indicated that gold mineralisation in the region has an association with a range of geological environments. Models of gold occurrence for which the Tanami is believed to be most prospective include:

- Disseminated, strataform deposits hosted by banded iron formations;
- DBS-Granites styles of mineralisation, controlled by folding and iron-rich lithologies
- Discordant stockwork deposits of gold in relatively late stage quartz veins;
- Gold mineralisation in veins hosted by shear zones with strong alteration characteristics;
- Deposits in regolith containing gold concentrated by alluvial, eluvial or lateritic processes.

With these models in mind, the Company's geologists have selected prospective target exploration areas based on regional geological, structural, geophysical and geochemical data.

The detailed assessment of these targets has been undertaken by a range of exploration techniques, designed to reveal the geology of the target area, and the presence of indicator elements, particularly gold itself, in anomalous quantities.

6. GEOLOGY

6.1 Tanami Regional Geology

The Granites-Tanami Goldfield lies in the eastern part of the Early Proterozoic Granites-Tanami Inlier which is part of the Northern Australian Orogenic Province (Plumb 1990). The Inlier abuts the Arunta Complex to the south and east and is onlapped by younger cover sequences including the extensive Paleozoic Wiso Basin on its northeastern margin. To the west, clastic sediments of the Middle Proterozoic Birrindudu Basin overlie and separate the Inlier from similar age rocks in the Halls Creek Province.

Tertiary drainage channels, now completely filled with alluvial and lacustrine clays and calcrete are a major feature of the region. Some drainage profiles are 10 km wide and 100m deep, presenting a formidable barrier to mineral exploration.

Gold mineralisation within the Normandy NFM tenement holding is hosted by the Mt Charles Beds, a sequence of fine to medium-grained turbiditic metagreywackes with lesser amounts of metapelite, graphitic schist, banded iron-formation, chert and basic volcanic rocks (Blake et al 1979). Owing to their more resistant nature, only the cherts and iron-formations and associated interbedded graphitic schists tend to outcrop above the sand plain.

A suite of syn-to post-deformation dolerites and gabbros frequently invade the graphitic schist components of the sequence. Large plutons of mostly undeformed late-to post-orogenic adamellite and minor more mafic variants comprising The Granites Granite suite are widespread throughout the area.

Residual hills of gently folded Carpentarian Gardiner Sandstone unconformably overlie Early Proterozoic lithologies. Younger flat lying Cambrian Antrim Plateau Basalts are also preserved as platform cover in areas protected from erosional stripping.

Complex, polyphase deformation during the Barramundi Orogeny has affected the entire Granites-Tanami Inlier. It appears to have been largely controlled by two sets of regional scale fundamental crustal fractures that trend NNE and WNW. This is evidenced by the orientation of successive phases of macroscopic folding in the region and the consistent sympathetic trends of late tectonic faults.

Peak metamorphism during the Barramundi Orogeny reached amphibolite facies at The Granites Gold Mine, but is more generally greenschist facies as at Dead Bullock Soak. Contact metamorphic aureoles, commonly identified in pelitic schist units by randomly orientated andalusite porphyroblasts, are well developed at the margins of the post-orogenic granite plutons.

6.2 Talbot South Geology

Spot and radiometric images of the area indicate that very little Proterozoic geology outcrops within the exploration licence. However magnetic highs (<500nT) evident from regional aeromagnetic data are considered to be caused by Lower Proterozoic Tanami Complex lithologies.

Three major stratigraphic groups are observed within EL7150. The Tanami Group, which has been extensively intruded by granitoid bodies, does outcrop in places. BMR drilling at 3km spacings on an east west traverse confirmed the presence of the granitoid bodies which occupy approximately half of the licence area.

A major part of the Mt Charles Beds are the meta-wackes, meta-sandstones and meta-siltstones with minor associated meta-dolerites with bedding parallel and crosscutting mineralised quartz veins. At the Basejump and Skysurf Prospects, cherty meta-sediments form low ridges.

At Basejump, silicate facies BIF's and chert outcrop, while at Freefall outcrop is predominantly lateritic duricrust. RAB drilling has indicated that the laterite was formed over amphibolite grade mafic rocks almost certainly of the Tanami Complex. At the eastern portion of the Freefall prospect limited outcrop of chert, pelitic schists and minor quartz veining was encountered. At Skysurf, highly silicified units outcrop near the baseline and may represent Tanami Complex cherts or silicified and altered Gardiner Sandstone. Further to the east, Gardiner Sandstone forms prominent outcrops with well developed bedding and ripple marks. A small outcrop of conglomerate may represent the basal conglomerate of the Gardiner Sandstone Sequence.

At Groundrush, outcropping units include lateritised dolerite and pelitic schist. At the Talbot Camp, prominent ridges of Gardiner sandstone show well developed cross bedding, indicating an overturned sequence dipping 80° to grid north. Further to the north (outside the tenement boundary), these units are dip 10-20° towards grid south. At the southern extremity of the prospect grid (20000N), greywacke and quartz veins of the Tanami Complex outcrop.

Recent diamond and RC drilling at Groundrush has given a much greater insight into the geology of that prospect. The bulk of the mineralisation is contained within a meta-dolerite body that strikes north-northeast (grid) and dips steeply (70-80°) toward the west (grid). The dolerite is bounded on both sides by sediments, most commonly these sediments are coarse meta-arkose or meta-greywacke with only minor interbedded siltstone and chert horizons. The mineralisation is associated with the development of multistage quartz veining, chlorite alteration and sulphides.

The Mt Charles Beds of the Tanami Group and the granitoids are unconformably overlain by the Gardiner Sandstone of the Birrindudu Group and the Antrim Plateau Volcanics. The Gardiner Sandstone forms low ridges mainly along the northern margins of the exploration licence, and small pockets immediately east of the Base Jump prospect.

7. WORK UNDERTAKEN

7.1 TALBOT SOUTH REGIONAL

7.1.1 RAB/Aircore Drilling

A program of RAB and Aircore drilling was undertaken during the reporting period. The objective was to investigate the regolith and basement geology of prospective areas and test for indications of Gold mineralisation. Holes were broadly spaced at 100 to 800m along 400 to 1600m nominated traverses (Figure 3). Holes were inclined at 60° toward AMG east in areas of shallow cover, and were drilled vertically in areas of deeper cover (>25m). Two traverses were also drilled on the southern end of the Groundrush grid, with holes inclined towards grid east.

Drill spoil was laid out in one metre intervals and composite samples were collected from (nominal) three metre intervals down the entire hole by spearing piles four to six times from different directions. Standards were added routinely and duplicate samples were also taken. Samples were sent to Genalysis for Gold (1ppb) and Arsenic (10ppm) analysis using the AAS [ETA] and AAS (Digest B) methods.

All holes were rehabilitated on completion of drilling by using a concrete bung and available drill spoil to back-fill to the top of the hole.

Table 2: Talbot South Regional RAB & Aircore Drilling

Program	Drillholes	No. Holes	Metres	Sample Numbers	No. Samples
Regional Aircore	TSAC0001-0038.	38	1959.5	788713-789000; 788408-788661; 3805301-3805468.	710
Regional RAB	TSRB0001-0068.	68	1605	788325-788407; 788662-788712; 3101701-3101729; 3101854-3102000; 3745301-3745314; 3805469-3805700.	556
Groundrush Grid Sth	GHRB1116-1134: GHRB1122A.	20	361	3101730-3101853.	124
		126	**3925.5**		**1390**

Drilling highlighted variable thicknesses of alluvial and colluvial cover sediments throughout the Tenement. The bedrock intersected consisted of dolerite, siltstone, greywacke, arkose, and granite. Complete assay records and sample descriptions are included in Appendix 1.

Several samples returned Gold assays greater than 20ppb, with a maximum results of 106ppb Au and 350ppm As returned from dolerite in TSRB0031.

7.1.2 Gridding

32.9 kms gridding installed to assist the IP survey at Jing Shan.

11.9 kms gridding installed to assist the Groundrush Sth RAB program.

1.65 kms gridding installed at Skysurf to facilitate proposed surface sampling.

27.52km gridding installed at Freefall to facilitate proposed surface sampling.

All gridding is shown on Figure 2.

7.1.3 Geophysics

A program of Gradient Array IP was completed in order to explore for additional Gold mineralisation associated with sulphides. 8 blocks were completed over the Jing Shan area (see Figure 2) for 92 kms. Survey specifications (see Table 4 below) were based on the trial survey conducted over Groundrush in 1999.

Table 3: IP Survey Specifications

Line spacing	200m
Receiving dipole	50m
Current electrode spacing	3000m
Transmitter	Zonge GGT10 / Iris VIP4000
Receiver	Iris Elrec6
Waveform	0.125Hz square, 50% duty cycle
Mode	Time Domain

A complete data set is included in Appendix 2.

7.1.4 Water Search Drilling

RAB drilling was utilised to identify potential ground water resources close to the Groundrush deposit, to be used in development of that deposit. The Mine Exploration Team drilled seventy eight vertical holes (Figure 3). Geochemical samples were collected as described in **7.1.1.** Samples were sent to Amdel Laboratories and a 20g charge of the sample was treated with an aqua regia digest prior to measurement by ICP-MS (ARM1 method). The following elements were assayed for: Au (0.1ppb), Ag(0.01ppm), As(0.5), Bi(0.1), Cd(0.1), Co(0.2), Cu(0.2), Mo(0.1), Ni(1), Pb(0.2), Sb(0.1), Se(0.5), Te(0.1) and Zn(0.5).

All holes were rehabilitated on completion of drilling by using a concrete bung and available drill spoil to back-fill to the top of the hole.

Table 4: Water Search Drilling

Program	Drillholes	No. Holes	Metres	Sample Numbers	No. Samples
Mine Development Water Search	GHRB1038-1115	78	2302	1449052-1449834 1449836-1449845.	794

Drilling encountered sediments and mafic. No suitable aquifers or significant quantities of water were identified. All samples returned gold assays less than 25ppb and Arsenic assays less than 100ppm. Complete assay records and sample descriptions are included in Appendix 1.

7.1.5 Rock Chip Sampling

Five rock chip samples were taken from outcrop locations along the surveyed Groundrush Haulage Road. Samples were submitted to Genalysis for analysis. See Figure 4 for sample locations.

Table 5: Rock Chip Sampling

Program	Sample Numbers	No. of Samples	Laboratory	Elements
Recon.	3108928-3108932	5	Genalysis	Au, As, Ag, Cu, Pb, Zn, Bi, Mo, Fe, Ni, Co, Sn, Sb, W, Th, U

All samples returned gold results less than 10ppb. Complete assay records and sample descriptions are included in Appendix 1.

600000E

610000E

620000E

7820000N

7810000N

7800000N

ML 22934
GroundRush

ELA 7869
Lake Buck
(veto)

EL 7150
Talbot South

GROUND RUSH

FREE FALL

JING LING

SKY SURF

RIP CORD

JING SHAN

BASE JUMP

GHRC0253
GHRC0254

GHRB1115 GHRB1114 GHRB1107 GHRB1108 GHRB1106 GHRB1103 GHRB1104 GHRB1105 GHRB1102 GHRB1101 GHRB1100 GHRB1099 GHRB1096 GHRB1097 GHRB1098 GHRB1095 GHRB1094 GHRB1093 GHRB1092 GHRB1091 GHRB1090 GHRB1088 GHRB1089 GHRB1087 GHRB1086 GHRB1085 GHRB1084 GHRB1083 GHRB1082 GHRB1081 GHRB1080 GHRB1079 GHRB1078 GHRB1077 GHRB1076 GHRB1075 GHRB1074 GHRB1073 GHRB1072 GHRB1071 GHRB1070 GHRB1069 GHRB1068 GHRB1067 GHRB1066 GHRB1065 GHRB1064 GHRB1063 GHRB1062 GHRB1061 GHRB1060 GHRB1059 GHRB1058 GHRB1057 GHRB1056 GHRB1055 GHRB1054 GHRB1053 GHRB1052 GHRB1051 GHRB1050 GHRB1049 GHRB1113 GHRB1112 GHRB1111 GHRB1110 GHRB1109 GHRB1122A GHRB1116 GHRB1117 GHRB1118 GHRB1119 GHRB1120 GHRB1121 GHRB1123 GHRB1124 GHRB1125 GHRB1126 GHRB1127 GHRB1128 GHRB1129 GHRB1130 GHRB1131 GHRB1132 GHRB1133 GHRB1134

TSAC0001 TSAC0002 TSAC0003 TSAC0004 TSAC0005 TSAC0006 TSAC0007 TSAC0008 TSAC0009 TSAC0010 TSAC0011 TSAC0012 TSAC0013 TSAC0014 TSAC0015 TSAC0016 TSAC0017 TSAC0018 TSAC0019 TSAC0020 TSAC0021 TSAC0022 TSAC0023 TSAC0024 TSAC0025 TSAC0026 TSAC0027 TSAC0028 TSAC0029 TSAC0030 TSAC0031 TSAC0032 TSAC0033 TSAC0034 TSAC0035 TSAC0036 TSAC0037 TSAC0038

TSRB0001 TSRB0002 TSRB0003 TSRB0004 TSRB0005 TSRB0006 TSRB0007 TSRB0008 TSRB0009 TSRB0010 TSRB0011 TSRB0012 TSRB0013 TSRB0014 TSRB0015 TSRB0016 TSRB0017 TSRB0018 TSRB0019 TSRB0020 TSRB0021 TSRB0022 TSRB0023 TSRB0024 TSRB0025 TSRB0026 TSRB0027 TSRB0028 TSRB0029 TSRB0030 TSRB0031 TSRB0032 TSRB0033 TSRB0034 TSRB0035 TSRB0036 TSRB0037 TSRB0038 TSRB0039 TSRB0040 TSRB0041 TSRB0042 TSRB0043 TSRB0044 TSRB0045 TSRB0046 TSRB0047 TSRB0048 TSRB0049 TSRB0050 TSRB0051 TSRB0052 TSRB0053 TSRB0054 TSRB0055 TSRB0056 TSRB0057 TSRB0058 TSRB0059 TSRB0060 TSRB0061 TSRB0062 TSRB0063 TSRB0064 TSRB0065 TSRB0066 TSRB0067 TSRB0068

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UTM Zone 52 (AGD66)

Normandy NFM Limited
NORMANDY EXPLORATION PTY LTD

EL7150 - TALBOT SOUTH

DRILLHOLE LOCALITY PLAN

10/12/2001

FIGURE 3

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EL7150
TALBOT SOUTH

MLA22934
GROUNDRUSH

600000E
605000E
610000E
615000E
7820000N
7815000N
7810000N

GROUND RUSH

RIPCORD

FREE FALL

N
W E
S

0 1000m
SCALE 1:50,000

UTM Zone 52 (AGD66)

Normandy NFM Limited
NORMANDY EXPLORATION PTY LTD

EL7150 - TALBOT SOUTH

SAMPLE LOCALITY PLAN

10/12/2001

FIGURE 4

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7.2 FREEFALL

7.2.1 Gridding

Eight new grid lines (27.52line kms) were established on the Freefall grid to facilitate the lag program (below). Refer Figure 2.

7.2.2 Lag Sampling

Lag sampling was conducted west of the Freefall baseline. Sample locations were 80m apart, located on grid lines 400m apart. Sample details are outlined in Table 6 below and locations are shown in Figure 5.

Table 6: Freefall Lag Sampling Details

Program	Sample Numbers	No. of Samples	Laboratory	Elements
Freefall lag	3207201-323 3243651-700	173	Genalysis	Au, As, Ag, Cu, Pb, Zn, Bi, Mo, Fe, Ni, Co, Sn, Sb, W, Th, U

All samples returned Gold assays less than 50ppb. Several samples returned Arsenic assays greater than 100ppm. Complete assay records and sample descriptions are included in Appendix 1.

7.3 GROUNDRUSH

7.3.1 RC Drilling

A small program of RC drilling was undertaken along line 25600N, see Figure 6. The aim of this drilling was to test for repetitions of Groundrush-Style mineralisation in an area with similar structural and lithological characteristics to the Groundrush orebody.

Samples were collected at 1m intervals after passing through a three-tier rig-mounted riffle splitter. Samples were sent to ALS–Chemex in Perth for Aqua Regia (PM203). Any samples that came back with an Aqua Regia result greater than 2ppm were automatically sent for A & B split Fire Assay (PM209), and those that assayed over 7ppm were sent for Screen Fire Assay.

Table 7: Groundrush RC Drilling

Program	Drillholes	Sections (grid)	No. Holes	Metres	Sample Numbers	No. Samples
Targeted Drilling	GHRC0253-GHRC0254	25600N	2	260	3219191-3219460.	270

Complete assay records and sample descriptions are included in Appendix 1. A maximum result of 1m @11.0g/t Au from 88m was returned from dolerite intersected in GHRC0254.

7.3.2 Rock Sampling

Selective samples were taken from Groundrush core to gain a better understanding of the centimetre-scale distribution of gold. Quarter-core samples ranging in length from 8-30cm were sent to AMDEL for analysis and the details are contained in Table 8 below. Refer Figure 4.

Table 8: Groundrush Niche Rock Sampling Details

Program	Hole/ Sample no.	No. of Samples	Laboratory	Elements
Niche sampling	GHD0035 3243605-626	22	AMDEL	Au, As, Ag, Cu, Pb, Zn, Co, Cr, Fe, Mn, Ni, Bi, Mo, Sb
Total				

Results indicate that there is a clear correlation between quartz vein density and gold grade within the ore zones of the Groundrush orebody, however, the relationship between vein % and gold is not directly proportional.

7.4 RIPCORD

7.4.1 Gridding

Direct access to the Ripcord Prospect was gained by establishing and clearing the 11,000mE baseline on the Groundrush grid. Ten proposed RC sections were also cleared of surface vegetation to provide a safe working area. In total 11.9 line km of gridding was established and 5km was cleared using the company loader. Refer Figure 2.

7.4.2 Soil Sampling

Three programs were completed during the reporting season. The first program involved the collection of soil samples at 20m intervals over RAB defined mineralisation along 21,900N and 22,000N. Samples were collected from a depth of 15-25cm using a paint-free pelican pick and a clean plastic bucket. Material was put through a 0.5mm plastic sieve with a nylon mesh and a 500g amount was bagged and retained for analysis. Samples were subject to an in-house Bulk Cyanide Leach (BCL) technique and assayed at Genalysis by Mass Spectrometry (MS).

The second program involved the collection of samples at 20m intervals over RAB defined mineralisation also along 22,000N. Samples were collected as above. Material was sieved to a –75µm (-200 mesh) size fraction and a 50-100g amount was retained for analysis. Samples were sent to Genalysis Laboratories where they were subjected to a 24 hour bulk cyanide leach bottle roll. Gold was then assayed for by Inductively Coupled Plasma Mass Spectrometry (ICPMS).

The third program involved the collection of samples from two (planned) DDH sumps. Bulk samples were composited over 20cm vertical intervals with the aim of investigating changes in geochemistry in the near surface environment.

All sample details are contained in the table below. Sample locations are depicted in Figure 6. Complete assay records and sample descriptions are included in Appendix 1.

Table 9: Ripcord Soil Sampling Details

Program	No. of Samples	Sample Numbers	Laboratory/Method	Elements (detection limit)
Surface Sampling	106	3744714-3774819.	Genalysis /MS	Au (0.01ppb), Ag (0.1ppb), Cu (0.01ppm)
Surface Sampling	37	3231647-3231683	Genalysis/ CN01/MS	Au (0.02ppb)
Sump Sampling	16	3207324-3207339.	Genalysis B/EETA &A/MS	Au, As, Ag, Cu, Pb, Zn, Bi, Mo, Fe, Ni, Co, Sn, Sb, W, Th, U.
Total	**159**			

7.4.3 RC Drilling

A program of RC drilling was undertaken at the Ripcord prospect to test the continuity of mineralisation intersected on 200m sections. Overlapping holes were spaced 30m apart on sections 100m apart to test the most prospective zones. All holes were drilled 60^{o} towards grid east. Figure 7 shows drillhole locations.

All holes were capped on completion as a temporary measure, with the hole number recorded in black or red paint on the plastic cap and PVC collar. Permanent rehabilitation is achieved by the removal of the protruding collar and insertion of a concrete plug 0.3m below ground. All drillhole collars are accurately located by company surveyors utilising theodolite/EDM equipment with reference to pre-established x,y,z control.

Analytical samples were collected at 1m intervals using a Rig-mounted splitter with the bulk sample being bagged in green plastic and left on-site. Standards were added routinely and duplicate samples were also taken. Samples were sent to ALS–Chemex in Perth for Aqua Regia (PM203). Any samples that came back with an Aqua Regia result greater than 2ppm were automatically sent for A & B split Fire Assay (PM209), and those that assayed over 7ppm were sent for Screen Fire Assay. Table 10 below shows sample details.

Complete assay records and sample descriptions are included in Appendix 1. Significant intersections are included in Table 11 below.

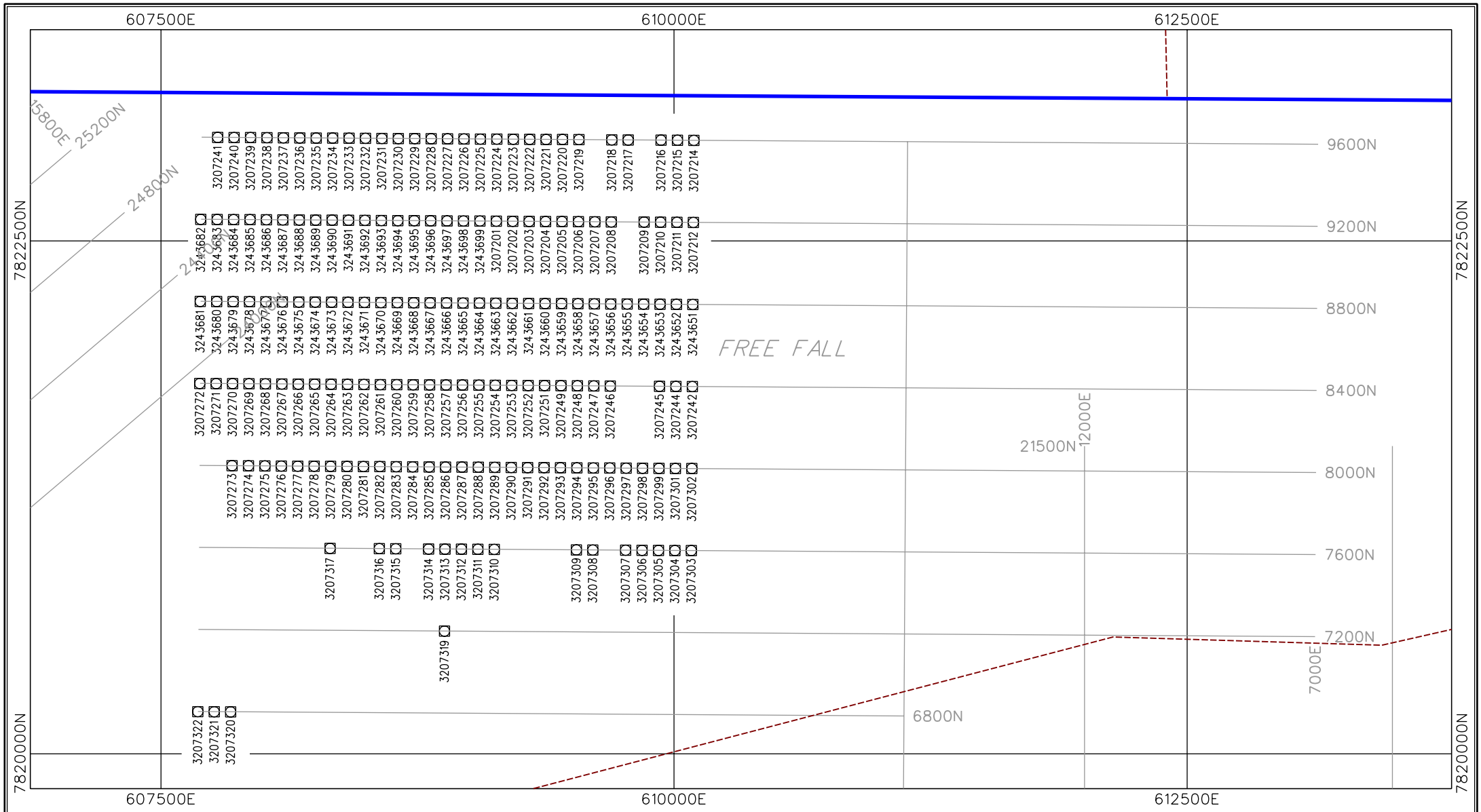
Table 10: Ripcord RC Sample Details

Program	No. Holes	Metres	Sample Numbers	No. Samples
Ripcord	21	1781	3218001-3219190; 3805001-3805300; 3805701-3806020A.	1809

Table 11: Ripcord RC Drilling Significant Results

Section N	Hole	Intersection	From	Lithology
22,000	GHRC0234	1m@1.77	106 m	Dolerite
21,900	GHRC0235	2m@1.71	24 m	Dolerite
21,900	GHRC0235	2m@1.04	42 m	Dolerite
21,900	GHRC0236	2m@2.14	67 m	Dolerite
21,800	GHRC0239	1m@1.59	60 m	Dolerite
21,500	GHRC0240	2m@1.90	23 m	Dolerite
21,500	GHRC0241	3m@1.16	32 m	Fine Grained Sediment
21,500	GHRC0242	5m@1.71	44 m	Fine Grained Sediment
21,500	GHRC0242	6m@0.98	73 m	Fine Grained Sediment
21,400	GHRC0229E	20m@2.91*	78 m	Dolerite
21,300	GHRC0243	1m@2.00	19 m	Dolerite
21,300	GHRC0243	3m@1.00	29 m	Dolerite
21,300	GHRC0243	9m@1.56	38 m	Dolerite
21,300	GHRC0243	17m@1.06	51 m	Dolerite
21,300	GHRC0244	8m@2.09	76 m	Dolerite
21,300	GHRC0245	2m@1.12	18 m	Fine Grained Sediment
21,300	GHRC0245	2m@6.72	37 m	Fine Grained Sediment
21,200	GHRC0246	2m@2.42	84 m	Dolerite

*GHRC0229 was extended. The original hole ended with 12m @ 3.03 g/t.



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EL7150 - TALBOT SOUTH ANNUAL REPORT

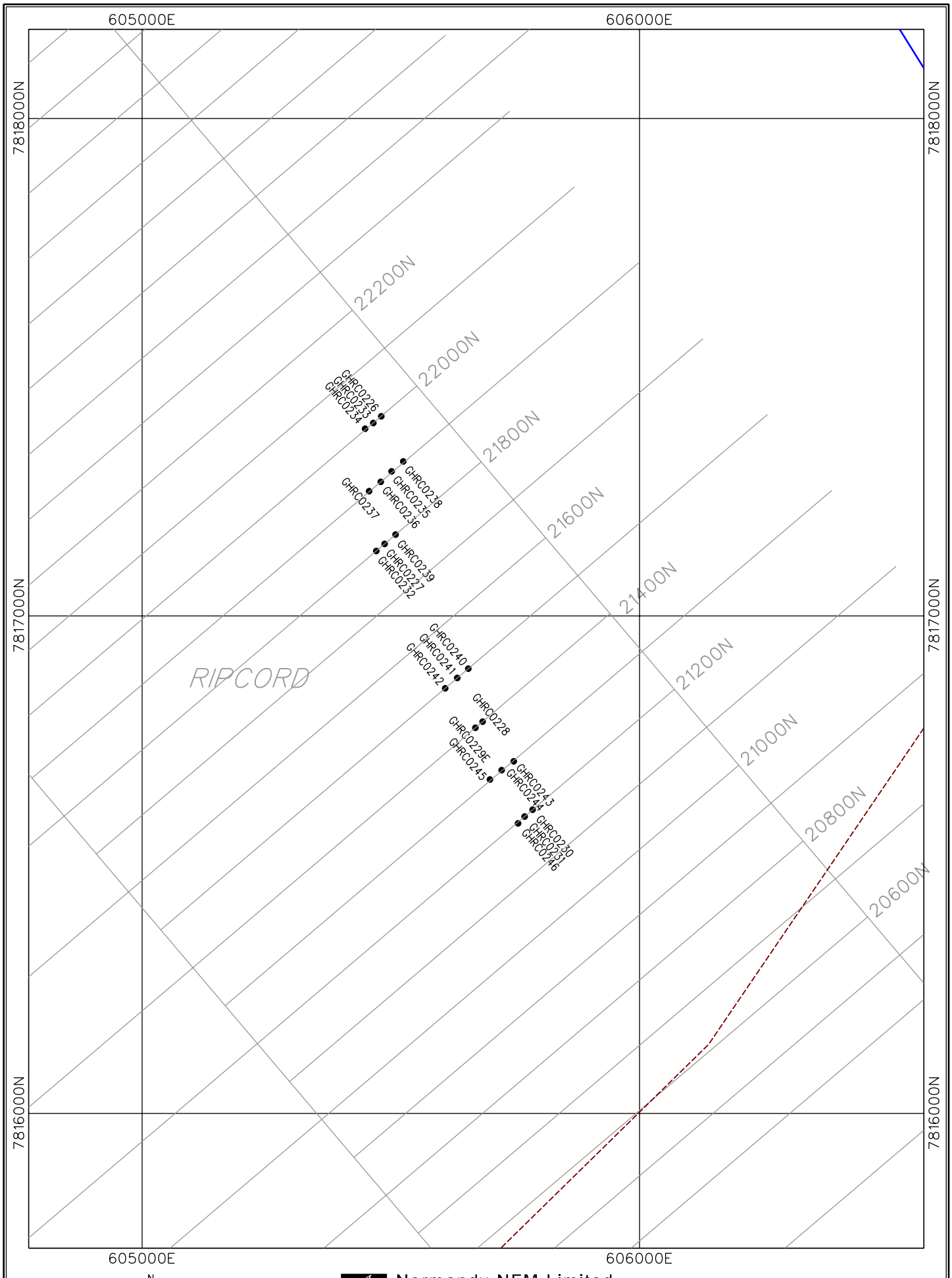
FREEFALL PROSPECT
LAG SAMPLE LOCALITY PLAN

UTM Zone 52 (AGD66)

8 NOVEMBER 2001

FIGURE 5

T:\MSDATA\diagram\talbot\frfav002.dgn



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EL7150 - TALBOT SOUTH ANNUAL REPORT

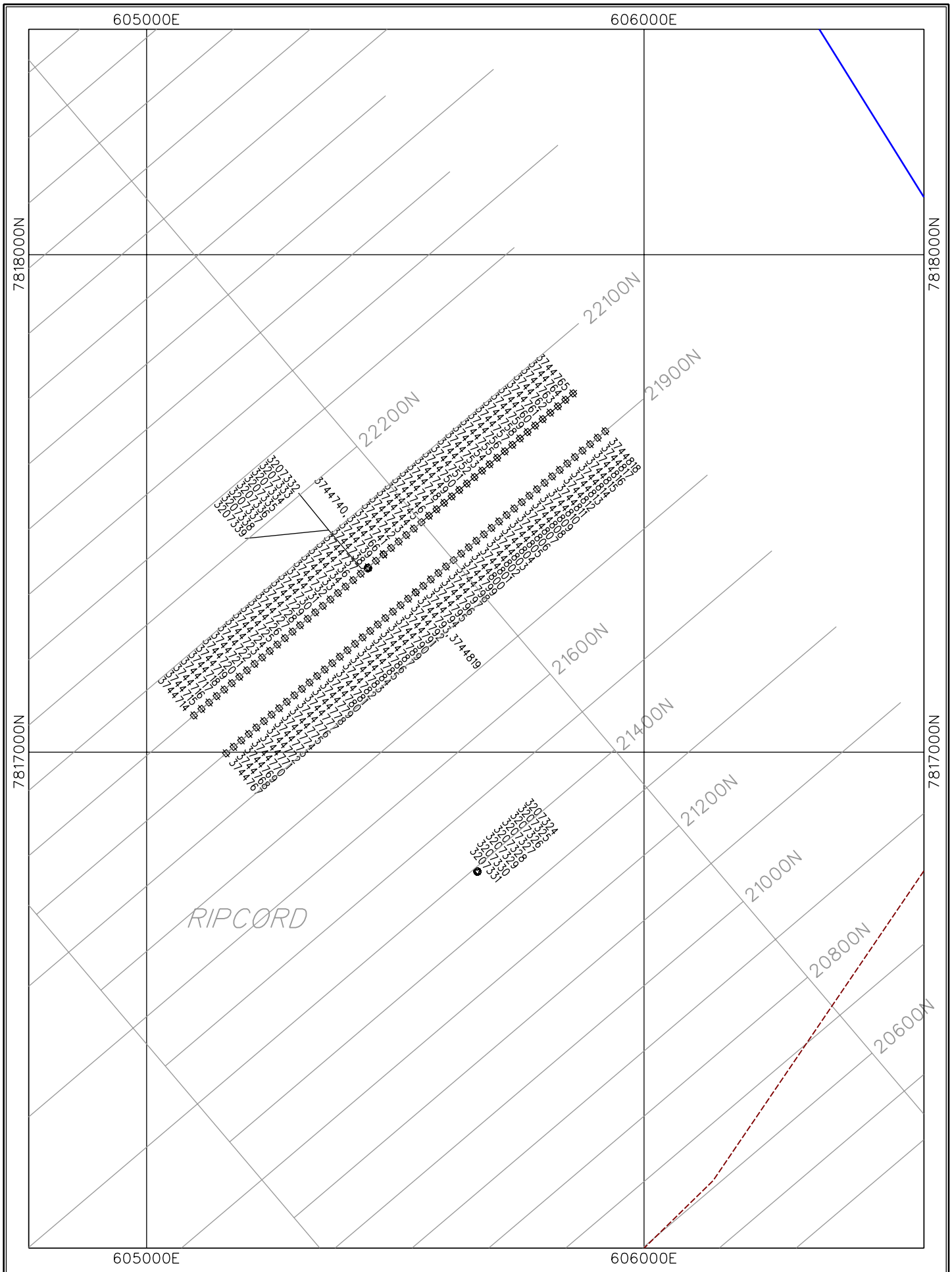
RIPCORD PROSPECT
RC DRILLHOLE LOCALITY PLAN

UTM Zone 52 (AGD66)

8 NOVEMBER 2001

FIGURE 6

T:\MSDATA\diagram\talbot\ripav001.dgn



N
W E
S

0 200m
SCALE 1:10,000

UTM Zone 52 (AGD66)

Normandy NFM Limited
NORMANDY EXPLORATION PTY LTD

EL7150 - TALBOT SOUTH ANNUAL REPORT

RIPCPORD PROSPECT
SAMPLE LOCALITY PLAN

10/12/2001

LEGEND
Soil Sample
BCL Sample

FIGURE 7

T:\MSDATA\diagram\talbot\ripav002.dgn

8. FORWARD PROGRAM

8.1 Proposed Work

Exploration is likely to maintain a regional focus during the next reporting period. All further work on the Groundrush Resource and immediate surrounding environs including the Ripcord Prospect will be conducted by the Mine Exploration team and will be reported separately.

Work will consist of:

1. Regional surface sampling;
2. Detailed follow-up and prospect surface sampling as appropriate;
3. RAB/Aircore drilling of emerging geochemical and geophysical targets;
4. Ground geophysics.

8.2 Estimated Expenditure for 5th Year of Tenure

Exploration expenditure on EL7150 is anticipated to exceed $300,000 for the 12 month period to 5th November 2002.

	Proposed Expenditure
Drilling	$110 000
Surface Sampling	$25 000
Laboratory Costs	$50 000
Employee Costs	$50 000
Specialist Services	$15 000
Operating Costs	$50 000
Total	**$300 000**
Required Covenant for 4thYear	**$300 000**
Proposed Covenant for 5th Year	**$300 000**

9. REFERENCE LIST / ANNUAL REPORT BIBLIOGRAPHY

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APPENDIX 1 - DIGITAL SAMPLE DATA, ASSAYS AND LOGS

APPENDIX 2 – GEOPHYSICS SURVEY DATA

Northern Territory Department of Mines and Energy

REPORT METADATA FORM
(MINERAL EXPLORATION)

PART A (DME USE ONLY)					
Report Number	Date Received				
Collation	___ pp.	___ figs	___ logs	___ maps	___ apps.
Media	___ CDs	___ 1.5"	___ Exab.	___ DLT	___ vols.

PART B			
Tenure Number(s)	7150	Company Report Number	CR 29386
Report Date	5/12/2001	Anniversary Date	26/11
Group Project Name			
Report Title	FOURTH ANNUAL REPORT FOR EL 7150 (TALBOT 5TH) FOR THE YEAR TO 5th NOVEMBER 2001.		
Author(s)	D. POWER		
Corporate Author(s)			
Maps 1 : 250 000	TANAMI	SE 52-15	
Maps 1 : 100 000	TANAMI 4858	BUCK 4958	

Tectonic Units			
❑ Amadeus Basin	❑ Carpentaria Basin	❑ McArthur Basin	❑ Pine Creek Inlier
❑ Arafura Basin	❑ Daly Basin	❑ Money Shoal Basin	❑ Simpson Basin
❑ Arnhem Inlier	❑ Dunmarra Basin	❑ Murphy Inlier	❑ South Nicholson Basin
❑ Arunta Inlier	❑ Eromanga Basin	❑ Musgrave Block	❑ Tennant Creek Inlier
❑ Birrindudu Basin	❑ Fitzmaurice Mobile Zone	❑ Ngalia Basin	❑ Victoria Basin
❑ Bonaparte Basin	❑ Georgina Basin	❑ Ord Basin	❑ Warburton Basin
❑ Browse Basin	■ Granites-Tanami Inlier	❑ Pedirka Basin	❑ Wiso Basin
Other structural units			

Stratigraphic Names			
MT CHARLES BEDS			

AMF Thesaurus Terms - General			
❑ Geological mapping	❑ Regional Geology	❑ Stratigraphy	❑ Structural Geology
❑ Metallogenesis	❑ Remote sensing	❑ Imagery	❑ Landsat
❑ Petrology	❑ Lithology	❑ Literature reviews	❑ Metamorphism
❑ Lineaments	❑ Photogeology	■ Reconnaissance	❑ Indicator minerals
Other terms ...			

AMF Thesaurus Terms - Target Minerals			
■ Gold	❑ Silver	❑ Tin	❑ Diamonds
❑ Lead	❑ Copper	❑ Platinum Group Minerals	❑ Industrial Minerals
❑ Zinc	❑ Uranium	❑ Bauxite	
Others...			

AMF Thesaurus Terms - Mining			
❑ Environmental impact surveys	❑ Feasibility studies	❑ Geostatistics	❑ Metallurgy
❑ Ore reserves	❑ Resource assessment	❑ Mineral resources	❑ Mining geology
❑ Mine design	❑ Mine drainage	❑ Mine evaluation	❑ Pits
Other terms ...			

AMF Thesaurus Terms - Geophysical Surveys			
❑ Aerial magnetic surveys	❑ Aerial radioactivity surveys	❑ Aerial EM surveys	❑ Ground EM surveys
❑ Gravity surveys	❑ Geophysical anomalies	❑ Gravity anomalies	❑ Bouger anomaly maps
❑ Sirotem surveys	❑ Ground magnetic surveys	■ IP surveys	❑ Resistivity surveys
❑ Seismic surveys	❑ Magnetic anomalies	❑ Geophysical interpretation	❑ Geophysical logs
Other terms ...			

AMF Thesaurus Terms - Geochemical Exploration – Surface sampling			
❑ Geochemical sampling	❑ Stream sediment sampling	■ Rock chip sampling	❑ Bulk sampling
■ Soil sampling	❑ Heavy mineral sampling	■ Geochemical anomalies	❑ Assaying
❑ Isotope geochemistry	❑ Whole rock analysis	❑ X ray diffraction	■ Sample location maps
Other terms ...			

AMF Thesaurus Terms - Geochemical Exploration - Drill sampling			
❑ Diamond drilling	■ RAB drilling	❑ Percussion drilling	❑ Air drilling
■ RC drilling	❑ Rotary drilling	❑ Vacuum drilling	❑ Auger drilling
■ Drill core	❑ Drill cuttings	❑ Drill hole logs	❑ Drill core analysis
Other terms ...	AIRCORE DRILLING		

Drilling Type	No. of holes	Hole name(s)
Diamond		
Percussion		
Vacuum		
RAB	166	
Auger		
Air	38	
RC	24	
Rotary		
Other ...		

Mine / Deposit / Prospects		Location - AMG	Location - Datum
Mines			
Deposits			
Prospects			
Other ...			